A BOND of desirable

strength yielding nearly 6%

The issue is secured by a First & Refunding Mortgage and has a strong sinking fund provision. It is the obligation of a well-managed Gas & Electric managed Gas & Electric company serving an im-portant and progressive territory. Business has been in successful opera-tion over 34 years. Earn-ings are more than 3 times interest requirements of this issue.

Ask for Circular 395

Hambleton & Co. 43 Exchange Place New York Philadelphia BALTIMORE Washington

Railroad Bonds

Southern Indiana

4s, 1951 South Bound R. R.

1st 5s, 1941 Central Vermont

5s, 1930 Gulf Terminal

Macon, Dublin & Savannah 5s, 1947

Grand Trunk Pacific 3s & 4s (All Issues)

PYNCHON & CO.

111 Broadway New York Telephone Rector 0970
LONDON LIVERPOOL PARIS

Philadelphia Phone Lombard 5521
Baltimore Phone Plaza 9349 Private telephone connections with Messrs. Moors & Cabot. Boston. Private wires to principal cities of United States and Canada.

Mystery

The deep mystery of big returns discussed behind closed doors is a secret kept from the average man. It is likewise often uncertain even to the initiated.

There are no mysteries nor "inside tips" to the sound investment of First Mortgage Real Estate Bonds which we offer. The privileges, how-ever, may be had of good income and safety of prin-

If you are interested in this type of investment, write today for full information.

Ask for Booklet H-71

AMERICAN BOND & MORTGAGE CO.

345 Madison Ave., New York

Commonwealth Water 5 1-2s.

mortgage, twenty-five year, 5½ per cent. gold bonds, series A. of the Commonwealth Water Company is being offered by a syndicate composed of P. W. Chapman & Co., Hoagiand, Allum & Co. and Goodwille & Co. at 95.50 and interest to yield about 5.85 per cent. The bonds are dated December 1, 1922, and due December 1, 1947, principal and interest being guaranteed by the written unconditional endorsement on each bond by the American Water Works and Electric Company, Inc. They are redeemable as a whole or in part on any interest date, to, and interest, on succeeding interest dates to and including December 1, 1932, at 105 and interest, on succeeding interest dates to and including December 1, 1945, at 102 per cent. and interest, and thereafter at par and interest. The company, which is a New Jersey concern, will pay the normal Federal income tax not in excess of 2 per cent. mortgage, twenty-five year, 514 per 500,000.

OF U.S. NOT UPHELD

Supreme Court Officials Explain Decision That Caused Apprehension.

WASHINGTON, Dec. 26,-Reports that Tax Commissioner Hallanan of West State to assess all United States Gov-ernment bonds for State, county and

the question, caused court officials today to direct attention to what they
said had been a widely circulated misinterpretation of the court's ruling.

The decision was rendered in a case
brought from Oklahoma by the People's National Bank of Kingfisher,
which sought to have reversed a ruling
of the Supreme Court of that State
holding that in determining the value
of the shares of stock of a national or
State bank for the purpose of taxation
no reduction would be made on account
of the capital, surplus and undivided
profits of the bank invested in securities that are otherwise exempt from taxation.

profits of the bank invested in securities that are otherwise exempt from taxation.

Court officials pointed out it had been reported that the court had held that Liberty bonds and other Federal tax exempt securities could be taxed by States. This, they said, had not been the purport of the decision. In explanation they declared the Supreme Court of Oklahoma held that in the case of the State assessing State or national banks the tax was against the corporation upon its moneyed capital, surplus and undivided profits, but was levied against the shares of stock in the hands of stockholders. It held further that the officers of the corporation act as it he agents of the stockholders, both in listing the shares of stock for taxation and in paying the taxes levied against the shares of stock for taxation and in paying the taxes levied against the shares of stock in a State or national bank are to be assessed at their true value the Oklahoma Supreme Court ordered that in determining the value of shares of stock in a national or State bank for the purpose of taxation no deduction is to be made on account of the capital of the corporation invested in securities which are exempt from taxation.

The United States Supreme Court did not prepare a formal opinion but merely announced that it affirmed the action of the State court, citing Van Allen versus the Assessors, 3 Wall 573, and National Bank versus Commonwealth, 9 Wall 533, 359, as authorities on which it based its decision. It was pointed out that the question related to the rule to be followed in determining the value of bank stock for State taxation purposes and that the highest court had adhered.

followed in determining the value of bank stock for State taxation purposes and that the highest court had adhere to the ruling announced many years ago that for such taxing purposes the banks are not entitled to make deductions from their capital to correspond to the amount of such capital invested in tax exempt securities.

Average Bond Prices

Tuesday, December 26, 1922.								
10 Rails	Fnes-	Net	Week	Year				
	day.	Chge.	Ago.	Ago.				
	44.18	17	84.36	86.10				
	99.02	+.20	98.87	95.35				
	92.03	07	102.12	99.33				
	87.78	+.73	88.25	74.45				
	92.70	+.13	92.82	87.44				

BOND NEWS AND NOTES

The bond market was moderately active yesterday, with United States Government descriptions well bought and all generally higher. The new Treasury 4½s touched par for a net gain of 6 cents, while other active issues showed advances of from 5 to 12 cents, No particular feature developed in any group due to the fact, perhaps, that business was pretty evenly distributed. The foreign government list was steady, fractional losses at times about balancing slight gains. The glit edge rails were rather firm, and the so-called speculative issues narrowly irregular. A good deal of pressure was exerted against International and Great Northern adjustment 6s, which fell more than 1 point under Friday's close. Obligations of the Interborough Rapid Transit Company were in demand during the early part of the session. The day's total turnover was about \$11,500,000.

American Pr. & Lt. 6s, 2016

Ariz. Steam Gen. 6s, 1933

Penna. Wat. & Pr. 5s, 1940

U. S. Pub. Service 6s, 1947

KIELY & HORTON

Colorado Pr. 5s, 1953

Detroit Edison 6s, 1932

Lehigh Pr. Sec. 6s, 1927

Investor and Bond Trader

Cities Service Co.

Total assets over \$400,000,000 6% Cum. Pfd. Stock Now Yielding Over 8.55% Send for Circular P-3

SECURTIES DEPARTMENT Henry L Doherty & Company

Mason City & Ft. Dodge Detroit, Toledo & Ironton Little Rk. & Hot Spgs. West. Kentucky & Ind. Terminal Balt., Ches. & Atlantic

Wolff&Stanley 72 Trinity Place, New York

Kansas Rwy. ALL ISSUES

Wm. C. Orton & Co.

STATETAX ON BONDS BONDS IN STOCK EXCHANGE

TUESDAY, DECEMBER 26, 1922. Day's sales 1922. Year to date 3,480,221,000 \$12,204,000 \$29,739,000 \$,526,392,000 3,769,497,000 RANGE OF UNITED STATES GOVERNMENT BONDS.

40 Wall St. New York Missouri, & Texas

54 Wall St., N.Y. Tel. Hanover 9690-9697

A well secured railroad bond that nand Western Indiana Railroad Company consolidated 4s due in 1942. This company is controlled through stock ownership by a number of important roads entering Chicago. It owns about 58 miles of main track and 492 miles of second and miscellaneous track, part of which constitutes a belt line around Chicago. The company also owns valuable real estate in Chicago, including the Dearborn station. These bonds, of which there are about \$48,000,000 outstanding, are secured by a mortgage on the entire property of the Chicago and Western Indiana Railroad Company, 6x cept the belt line division, is leased for 999 years to the Chicago and Eastern Illinois Railroad, the Chicago and Eric Railroad, the Chicago indianapolis and Louisville Railroad, the Chicago and Eric Railroad, the Chicago indianapolis and Louisville Railroad, the Chicago and Eric Railroad, one-fifth of the capital stock of the Western Railway and the Wabash Railway. Each of these companies owns one-fifth of the capital stock of the Chicago and Western Indiana Railroad. The rental paid by the foregoing roads outstanding. The belt line division is leased to the Belt Railway Company of Chicago. The stock of the Chicago and Western Indiana Railroad Company is also held by the Atchison, Burlington, Rock Island, Chesapeake & Ohio, Illinois Central, Pennsylvania and the Soo line.

Industrial bonds which can be recommended to conservative investors are United States Steel Corporation ten to sixty year sinking fund 5s due in 1963. These bonds are secured by a lien on all the property, bonds, stocks, &c., of the United States Steel Corporation subject only to the fifty year 5s of 1951. At present prices they yield a little less than 5 per cent. There are outstanding a little more than \$172,000,000 of these 5s and \$50,000,000 of them are held to exchange for preferred stock. They are redeemable at 110 and interest. It has been calculated that the sinking fund will retire this entire issue of bonds at 110 and interest prior to maturity. All money in the sinking fund is applied to their redemption by lot at 110. Industrial bonds which can be recom-

Argentine (unlist).	75	Sept.	1945		Ask.
British Victory					413
Canada	514	Nova	1924	9914	99%
Canada	515	Nov	1934	99%	100%
Colombia	-	Issued	1913	63	66
Costa Rica	5	Issued	1911	58	62
French	4	Insued	1917	46	47
French loan		Option	1943	50	57
French premium	5			6434	664
French loan	6	Option	1931	65	67
Palotas (Brazil)	5.	Issued	1911	54	60
Rus R Pds F & A.	514	Feb	1920	1	3
Uruguay	5	Issued	1910	7244	7434

2s r '30. 102 103 P I 4s, '34. 92 95 3s c '46. 92 95 P I 4s, '34. 92 95 P 2s r '36.102 103 Doff 3.65s. 98 100 P 3s '61. 92 95 "Hw 4s, '41.4.00 P 2s '38. 102 103 "P R 4s, '39.4.90 ... 'Yield,'

The Royal Bank of Canada



Fifty-third Annual Statement

30th NOVEMBER, 1922

LIABILITIES

TO THE PUBLIC: Notes of the Bank in Circulation..... 11,505,855.84 \$436,526,207.37 TO THE SHAREHOLDERS: Dividends Unclaimed
Dividend No. 141 (at 12% per annum), payable December 1st, 1922.... ber 1st, 1922.

Bonus of 2%, payable December 1st, 1922..... 22,435,158.94 \$479,362,366.31

ASSETS

	26,932,040.25 20,951,306.74	Dominion Notes United States Currency and other Foreign Currencies	
	\$ 63,935,920.11 8,000,000.00 2,718,277.65 20,573,642.84 2,433.37 27,893,715.57	Deposit in the Central Gold Reserves. Notes of other Banks. Cheques on other Banks Balances due by other Banks in Canada. Balances due by Banks and Banking Correspondents elsewhere than in Canada.	
4.4	22,950,224.85 7,901,927.97 13,462,068.56 14,735,290.32 33,874,830.69	Dominion and Provincial Government Secrities, not exceeding market value. Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value. Railway and other Bonds, Debentures and Stocks, not exceeding market value. Call Loans in Canada, on Bonds, Debentures and Stocks. Call and Short (not exceeding thirty days) Loans elsewhere than in Canada.	
242,937,476.97 1,521,923.84 12,142,342.17	\$151,260,687.95 91,232,041.58 444,747.44	Other Current Loans and Discounts in Canada (less rebate of interest) Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) Overdue Debts (estimated loss provided for) Real Estate other than Bank Premises. Bank Premises, at not more than cost, less amounts written	,
5,326,228.99 1,020,000.00 366,062.41 8479,362,366.31	n Fund	Liabilities of Customers under Letters of Credit, as per control Deposit with the Minister for the purposes of the Circulatio Other Assets not included in the foregoing	

H. S. HOLT EDSON L. PEASE Managing Director

General Manager

AUDITORS' CERTIFICATE WE REPORT TO THE SHAREHOLDERS OF THE ROYAL BANK OF CANADA: That in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

That we have checked the cash and verified the securities of the Bank at the Chief Office at 30th November, 1922, as well as at another time, as required by Section 56 of the Bank Act, and that we found they agreed with the entries in the books in regard thereto. We also during the

that we found they agreed with the entries in the books in regard thereto. We also during the year checked the cash and verified the securities at the principal branches.

That the above Balance Sheet has been compared by us with the books at the Chief Office and with the certified returns from the Branches, and in our opinion is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us as shown by the books of the Bank.

That we have obtained all the information and explanations required by us.

S. ROGER MITCHELL, C.A., W. GARTH THOMSON, C.A., of Marwick, Mitchell and Co., JAMES G. ROSS, C.A., of P. S. Ross & Sons Auditors

C. E. NEILL

Montreal, Canada, 19th December, 1922.

PROFIT AND LOSS ACCOUNT

Profits for the year, after deducting charges of management, accrued interest on deposits, full provision for all bad and doubtful debts and rebate of interest on unmatured -\$ 4,863,514.19 APPROPRIATED AS FOLLOWS: Tax on Bank Note Circulation. -\$ 4,863,514.19 H. S. HOLT EDSON L. PEASE C. E. NEILL Managing Director General Manager

New York Agency: Corner William and Cedar Streets

Montreal, Canada, 19th December, 1922.

STOCK EXCHANGE TRANSACTIONS

| Total | State | Total | State | Stat

*Ex div. †Ex rights. \$In scrip. x Part stock. e In stock. f Part extra. c Cash:

NOTE—Odd lot transactions are not recorded in separate lines unless sales were made at price outside of the regular range.

U. S. CERTIFICATES AND NOTES. SECURITIES INCOME HIGHER.

Utah Corporation Shows Gain Dur-Approx.
Asked, Vield.
100 1-32 2.77
100 5-32 3.49
100.44 3.61
100 5.75
100 5.75
100 1-16 3.81
100 5-8 4.41
100 5-8 4.41
100 13-16 4.47
100 13-16 4.41
100 13-16 4.41 The Utah Securities Corporation and subsidiaries for November report gross receipts of \$806,937 and net la lome. after taxes, of \$417,46%, compar-November, 1921.

RAW SUGAR FUTURES.

gross of \$729,425 and net of \$382,775 la

349, from which net of \$4,318,098 was saved after taxes, in contrast with \$8.626.583 and \$4.106.543 respectively in the first eleven montss of 1921.

The second New York Cotton Ex-duange membership of E. P. McEnany has been sold for \$27,000, off \$2,000 from the last previous sale.